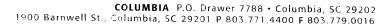
19/056

(Caption of Case)  Docket No. 2007-400-C/ Rulemal Prepaid Telecommunications Loc Services		PUBLIC SERVICE OF SOUTH C  COVER  DOCKET NUMBER: 2007	E COMMISSION CAROLINA
(Please type or print)  Submitted by: Steven W. Hamn  Address: Richardson, Plowden &		SC Bar Number:       2634         Telephone:       803-771-4         Fax:       803-779-0         Other:	
1900 Barnwell Street Columbia, South Caro	20201	Email: shamm@richardsonp	alowdan aam
NOTE: The cover sheet and information as required by law. This form is require be filled out completely.	contained herein neither replaces d for use by the Public Service Co	nor supplements the filing and serv mmission of South Carolina for the	purpose of docketing and must
★ Other: Letter filed in response.	se to PSC 2/8/2008 request t	or comments to their Proposed	d Regulation.
INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
Electric	Affidavit		
Electric/Gas		<b>⋉</b> Letter	Request
	Agreement		Request for Certification
Electric/Telecommunications	Agreement Answer	_	
☐ Electric/Telecommunications ☐ Electric/Water		Memorandum	Request for Certification
	Answer	☐ Memorandum ☐ Motion	Request for Certification Request for Investigation
Electric/Water	Answer Appellate Review	☐ Memorandum ☐ Motion ☐ Objection	Request for Certification Request for Investigation Resale Agreement
☐ Electric/Water ☐ Electric/Water/Telecom.	Answer Appellate Review Application	Memorandum  Motion  Objection  Petition	Request for Certification Request for Investigation Resale Agreement Resale Amendment
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer	Answer Appellate Review Application Brief	Memorandum  Motion  Objection  Petition  Petition for Reconsideration	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer ☐ Gas	Answer Appellate Review Application Brief Certificate	Memorandum  Motion  Objection  Petition  Petition for Reconsideration  Petition for Rulemaking	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter Response
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer ☐ Gas ☐ Railroad	Answer Appellate Review Application Brief Certificate Comments	Memorandum  Motion  Objection  Petition  Petition for Reconsideration  Petition for Rulemaking  Petition for Rule to Show Cause	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter Response Response
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer ☐ Gas ☐ Railroad ☐ Sewer	Answer  Appellate Review  Application  Brief  Certificate  Comments  Complaint	Memorandum  Motion Objection Petition Petition for Reconsideration Petition for Rulemaking Petition for Rule to Show Cause Petition to Intervene	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter Response Response Response to Discovery Return to Petition
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer ☐ Gas ☐ Railroad ☐ Sewer ☑ Telecommunication \	Answer Appellate Review Application Brief Certificate Comments Complaint Consent Order	Memorandum  Motion Objection Petition Petition for Reconsideration Petition for Rulemaking Petition for Rule to Show Cause Petition to Intervene Petition to Intervene Out of Time	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter Response Response Response to Discovery Stipulation
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer ☐ Gas ☐ Railroad ☐ Sewer ☒ Telecommunications ☐ Transportation	Answer Appellate Review Application Brief Certificate Comments Complaint Consent Order Discovery	Memorandum  Motion Objection Petition Petition for Reconsideration Petition for Rulemaking Petition for Rule to Show Cause Petition to Intervene Petition to Intervene Out of Time Prefiled Testimony	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter Response Response Stipulation Subpoena
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer ☐ Gas ☐ Railroad ☐ Sewer ☒ Telecommunications ☐ Transportation ☐ Water	Answer Appellate Review Application Brief Certificate Comments Complaint Consent Order Discovery Exhibit	Memorandum  Motion Objection Petition Petition for Reconsideration Petition for Rulemaking Petition for Rule to Show Cause Petition to Intervene Petition to Intervene Out of Time Prefiled Testimony Promotion	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter Response Response Response to Discovery Return to Petition Stipulation Subpoena
☐ Electric/Water ☐ Electric/Water/Telecom. ☐ Electric/Water/Sewer ☐ Gas ☐ Railroad ☐ Sewer ☒ Telecommunications ☐ Transportation ☐ Water ☐ Water/Sewer	Answer Appellate Review Application Brief Certificate Comments Complaint Consent Order Discovery Exhibit Expedited Consideration	Memorandum  Motion Objection Petition Petition for Reconsideration Petition for Rulemaking Petition for Rule to Show Cause Petition to Intervene Petition to Intervene Out of Time Prefiled Testimony Promotion Proposed Oder Protest	Request for Certification Request for Investigation Resale Agreement Resale Amendment Reservation Letter Response Response Response to Discovery Return to Petition Stipulation Subpoena





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March 31, 2008

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Reply to: Columbia Email:<u>shamm@richardsonplowden.com</u> Private Line: 803-576-3713

## VIA HAND DELIVERY

The Honorable Charles L. A. Terreni Chief Clerk and Administrator The Public Service Commission of South Carolina P. O. Drawer 11649 Columbia, S.C. 29211

RE: Docket No. 2007-400-C/ Rulemaking Regarding Prepaid Telecommunications Local

Services

Dear Mr. Terreni:

Verizon South Inc., ("Verizon") respectfully files this letter in response to the Commission's February 8. 2008 request for comments concerning proposed regulation 103-607, which would require prepaid local exchange telephone service providers to meet certain bonding or other security requirements.

The proposed regulation states that it "applies to telecommunications carriers who provide prepaid local exchange services (requiring advanced payment from customers prior to providing telecommunications service) and who have not invested at least five million dollars in telecommunications facilities in the State of South Carolina." The stated purpose of the regulation "is to provide protection to consumers who do not receive services after they have paid money to receive prepaid telephone service." By establishing a bonding or other security requirement, the proposed regulation seeks to ensure that customers are protected if the company faces financial distress and may not be able to reimburse its customers. The italicized language above exempts companies that have adequate capital to address the Commission's concern without providing additional security.

Verizon agrees that this exemption is appropriate, but submits that the regulation should be clarified to apply only to carriers "who, individually or together with their affiliates," have not invested at least \$5 million in telecommunications facilities in the state. That change would better implement the Commission's intention of requiring bonding or other security only when necessary for the protection of the public.

If you should have any questions concerning this matter please contact my office.

Yours very truly,

RICHARDSON, PLOWDEN, & ROBINSON, P.A.

Steven W. Hamm

SWH/ceb